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ITEM 8:* THE ENVIRONMENT FUND, OTHER FINANCIAL MATTERS AND ADMINISTRATION

PROGRAMME AND PROGRAMME SUPPORT COSTS BUDGET OF THE ENVIRONMENT FUND: REVISED ESTIMATES FOR THE BIENNIUM 1992-1993 AND PROPOSED BUDGET FOR THE BIENNIUM 1994-1995

Report of the Executive Director

Summary

Chapter one of the present report reviews the implementation of the approved programme and programme support costs (PPSC) budget for the biennium 1992-1993 as at 31 December 1992, and proposes revisions to the PPSC budget in the light of implementation up to that date. Chapters two and three describe the policy and methodology used by the Executive Director in drawing up proposals for the PPSC budget for the biennium 1994-1995, and explain the proposals themselves.

Suggested action by the Governing Council

The Governing Council,

Recalling paragraph 5 of its decision 16/45 of 31 May 1991, by which it approved an initial appropriation of $37,129,000 for the programme and programme support costs budget for the biennium 1992-1993, including $1,888,900, on a loan basis, towards the construction of new office accommodation,

Further recalling paragraph 6 of its decision 16/45 of 31 May 1991 by which it approved a further supplementary appropriation of $3,701,600, including $1,601,100 on a loan basis towards construction of new office accommodation, and $2,100,500 to be used by the Executive Director for the creation of new posts if and when sufficient resources became available to permit allocations for Fund programme and Fund programme reserve activities in the amount of $185 million,

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* Refers to the number of the item on the Provisional Agenda (UNEP/GC.17/1).

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Having considered the performance report on the programme and programme support costs budget for the biennium 1992-1993 as well as the proposed budget for the biennium 1994-1995, as set out in the Executive Director's report, together with the related comments of the Advisory Committee on Administrative and Budgetary Questions,

1. *Takes note* of the performance report on the programme and programme support costs budget for the biennium 1992-1993 and the related report of the Advisory Committee on Administrative and Budgetary Questions;

2. *Notes* that the Executive Director was able to contain the programme and programme support costs in 1992 within the yardstick established in paragraph 2 of Governing Council decision 12/19 of 28 May 1984 of 33 per cent of estimated contributions and that the Executive Director will endeavour to do so in 1993;

3. *Approves* revised appropriations of $37,818,600 for the programme and programme support costs budget for 1992-1993, including $3,490,000 on a loan basis towards the construction of new office accommodation, with the revised distribution by programme and object of expenditure proposed by the Executive Director;

4. *Approves* an initial appropriation of $43,612,300 for the programme and programme support costs budget for the biennium 1994-1995 with the expenditure pattern by programme and object of expenditure proposed in those estimates;

5. *Approves* a supplementary appropriation for programme and programme support costs of $4,207,500 towards the creation of new posts as follows:

(a) Office of the Environment Programme: One D-1 (environmental economics); five P-5 (atmosphere, soils, human health, energy and environmental economics); three P-4 (water, biodiversity and environmental training) and 10 local-level posts;

(b) Conferences and Governing Council Service: Transfer of six P-4, one P-2 and 15 local-level posts from Fund programme activities to the programme and programme support costs budget;

(c) Administrative Service: One D-1, one P-4, two P-3 and four local-level posts to strengthen the electronic data-processing and management information system units;

6. *Decides* that the supplementary appropriation of $4,207,500 can only be utilized after the following allocations for Fund programme and Fund programme reserve activities have been made:

	Millions of dollars
Programme of Fund activities	160.00
Fund programme reserve	5.00
Additional programme of Fund activities	40.00
Total	205.00

7. *Requests* the Executive Director to administer the appropriation for the programme and programme support costs budget for the biennium 1994-1995 with utmost economy and restraint consistent with the effective implementation of the environment programme, bearing in mind the availability of resources;

8. *Further requests* the Executive Director to report to the Governing Council at its eighteenth regular session on the implementation of the programme and programme support costs budget during the first year of the biennium 1994-1995.

I. REVISED PPSC BUDGET ESTIMATES FOR THE BIENNIUM 1992-1993

Introduction

1. The Governing Council, in its decision 16/45, paragraphs 5 and 6, approved initial and supplementary appropriations of $37,129,000 and $3,701,600, respectively, for the PPSC budget for the biennium 1992-1993. *The initial appropriation included $1,888,900*, on a loan basis, towards the construction of new office accommodation. The supplementary appropriation included $1,601,100 for a loan to the regular budget for the construction of new office accommodation, and $2,100,500 to be used by the Executive Director for the creation of new posts only if and when sufficient resources became available to permit allocations for Fund programme and Fund programme reserve activities in the amount of $185 million. As sufficient resources did not become available, the additional appropriations of $2,100,500 could not be used. Therefore, the total appropriations covered by the present report, amount to $38,730,100.

2. Expenditures for 1992 are estimated at $19,227,954, including the loan of $3,490,000 for the construction of accommodation. The projected requirements for 1993 amount to $18,590,646 The revised estimated requirements for the biennium 1992-1993 therefore amount to $37,818,600.

Exchange rate fluctuations and inflation

3. A net reduction of $911,500 is foreseen against appropriations of $37,818,600 (see Table 1, Annex I). This reduction consists of gains due to exchange rate fluctuations ($4,548,700), as explained in paragraph 4 below, offset by higher rates of inflation than anticipated ($1,454,600 of which $1,049,300 is accounted for by common staff costs) and by other changes amounting to $2,182,600. Tables 2 and 3 provide a breakdown of the net reduction by programme and object of expenditure.

4. The depreciation of the Kenya shilling (Ksh) against the dollar is expected to result in savings of $4,365,600. The original budget estimates were based on an exchange rate of Ksh. 23 to the dollar, whereas the average rate of exchange in 1992 was Ksh. 31.63. In preparing the revised estimates for 1993, the December 1992 United Nations operational rate of Ksh. 35.70 to the dollar was applied. A further gain of $183,100 is expected from exchange rate fluctuations in respect of the regional offices. Therefore, the total gain resulting from exchange rate fluctuations is estimated at $4,548,700.

Other changes

5. Increased requirements under temporary assistance ($289,500) are due to a heavier than anticipated workload in the regional offices. The increase in respect of consultants results primarily from the hiring of management consultants to review the organization and management of UNEP as requested by the Governing Council in its decision 16/6.

6. The increase under general operating expenses ($237,600) of liaison and regional offices is due essentially to the move of the Regional Office for Latin America and the Caribbean to new premises, which has occasioned one-time costs. However, economies are anticipated in the long run, as the rent of the new premises is lower than the previous rent.

7. The increase under rental and maintenance of premises ($18,400) is due to the need to rent space outside Gigiri pending completion of the new buildings.

8. The increase under communications results from greater usage of communications facilities than anticipated. The increases under supplies and furniture and equipment are due to the need to purchase telephone equipment following the installation of a modern switchboard.

II. PROPOSED PPSC BUDGET FOR THE BIENNIUM 1994-1995

Introduction

9. The cost of servicing the Governing Council of the United Nations Environment Programme and providing the part of the Secretariat which serves as a focal point for environment matters within the United Nations system should, under the terms of the General Assembly resolution 2997 (XXVII), be borne by the regular budget of the United Nations. Other secretariat costs should be borne by the Environment Fund (hereinafter referred to as "the Fund"), through what is termed the programme and programme support costs (PPSC) budget.

10. The costs financed under the United Nations regular budget will form part of the proposed programme budget for the biennium 1994-1995, to be submitted by the Secretary-General to the General Assembly at its forty-eighth session. They are not considered further in the present document.

11. In accordance with rule 210.3 of the Financial Rules of the Fund, the PPSC budget estimates must first be submitted to the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for examination and comment. The report of ACABQ will be made available to the Council shortly before the seventeenth session.

1. Budget policy

12. The proposed PPSC budget for 1994-1995 has been drawn up to remain within 33 per cent of projected contributions for 1994 and 1995. In terms of resources, it contains no significant changes from the budget approved for 1992-1993 other than provision for the resumption of rent payment in 1995, following repayment of the loan approved for the construction of new accommodation, and provision for the establishment and implementation of a training and development programme for staff at all levels. As the conditions set forth by the Council for the creation of 20 professional and 29 local-level posts in 1992-1993 were not met, the proposal for the creation of these posts is being reiterated, also on a conditional basis.

13. The costing of posts is based on the assumption that, on average, five per cent of the posts at the Professional level and 0.5 per cent at the local level would be vacant during the biennium.

14. The proposed appropriations for 1994-1995 amount to $43,612,300. This represents 29.1 per cent of the estimated contributions of $150 million to the Environment Fund for 1994 and 1995.

2. Methodology used in preparing the budget estimates

15. To arrive at the estimates for the 1994-1995 PPSC budget, a maintenance base was first established for 1992-1993 programmes at prices and average exchange rates projected for 1993 (see Annex II). All approved posts in the 1992-1993 budget under the initial appropriations were recosted at the projected standard salary and common staff costs, using the assumed turnover factors in paragraph 13 above. All 1992 non-salary expenditures were recosted at 1993 prices. Thus, the additional requirements were established for maintenance of 1992-1993 programmes at 1993 prices.

16. The estimated additional requirements for 1994-1995 comprise the following:

(a) Increases or decreases resulting from revaluation of the 1992-1993 resource base;

(b) Proposed resource growth;

(c) Increases relating to the effect on both (a) and (b) above of anticipated further inflation in 1994 and 1995, on the basis of inflation rates indicated in the Annex.

17. A number of changes have been introduced into the methodology used in the preparation and presentation of the budget. This has been done to reflect changes being introduced in respect of the United Nations regular budget. Non-recurrent items are no longer taken into account in the revaluation of the resource base and the calculation of growth. Provisions for new posts are now made on the same basis as for continuing posts, and no longer on a partial basis.

III. BUDGET PROPOSALS FOR 1994-1995

18. The proposed PPSC budget for 1994-1995 contains the following main changes compared with the appropriation approved for the biennium 1992-1993:

- A request for additional funds ($1,400,000) for resumption of payment of rent for UNEP office space in Gigiri, following the amortization of the loan to the United Nations for the construction of new office accommodation, anticipated for the end of 1994;

- Discontinuation of the provision for a loan to the United Nations;

- A request for funds ($250,000) for the establishment and implementation of a training and development programme for staff at all levels;

- A reduction under operating expenses for regional offices ($175,400) resulting from the move of the Regional Office for Latin America and the Caribbean to new premises;

- A reduction of $227,000 under consultants, as the hiring of management consultants to review the organization and management of UNEP is not foreseen for 1994-1995.

19. As concerns the financing of the 20 professional and 29 local-level posts previously approved by the Council under the PPSC supplementary programme in its decision 16/45, paragraph 11 (but which were not filled under the PPSC budget in the biennium 1992-1993 due to unavailability of funds), the Council is requested to reconfirm these posts for deployment in the biennium 1994-1995 under the same terms and conditions as before. The conditions are that they can only be utilized after the following allocations for Fund programme and Fund programme reserve activities have been made:

	Millions of dollars
Fund Programme activities	160.00
Fund programme reserve activities	5.00
Additional Fund programme activities	40.00
Total	205.00

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The amount required would be $4,207,500 and is being sought under a supplementary appropriation.

1. Proposed level of appropriation for the PPSC budget

20. On the basis of the changes outlined in paragraph 18 above, the appropriation proposed for the PPSC budget for the biennium 1994-1995 amounts to $43,612,300, representing an increase of $5,793,700 or 15.3 per cent above the proposed revised estimates totalling $37,818,600 for the biennium 1992-1993 (see Table 1). The breakdown of the increase by object of expenditure is given in Table 5. An analysis of real growth by programme is given in Table 6.

21. The additional requirements for 1994-1995 compared with 1992-1993 are set out in the tables annexed to the present report. Overall, these additional requirements may be regarded as comprising a net increase of $2,452,500 to meet the cost of maintaining the present level of activities in the biennium 1994-1995 at revised 1993 prices and exchange rates, a negative resource growth of $2,242,400 and an increase of $5,583,600 to cover anticipated inflation in 1994 and 1995.

22. In addition, and subject to the conditions proposed in paragraph 19 above, a supplementary appropriation of $4,207,500 is also requested.

2. Review of proposals by programme

(i) *Executive direction and management*

23. Executive direction and management comprises three programmes: Office of the Executive Director; regional representation; and management of the Fund. Under this heading comes the overall direction and management of the United Nations Environment Programme secretariat, taking into account the duties and responsibilities entrusted to the Executive Director by the General Assembly in its resolution 2997 (XXVII). The costs of these programmes are summarized in Table 4, while the existing and proposed staffing are given in Table 7.

Office of the Executive Director

24. The Office of the Executive Director is responsible for policy matters requiring the attention of the Executive Director and for ensuring a proper flow of information between the Executive Director and the various offices. The Deputy Executive Director is responsible for the supervision of the Information and Public Affairs Branch, the Conferences and Governing Council Service, the Clearing-house Unit, the Fund Management Branch and the Administrative Service. No additional resources are being requested.

Regional representation

25. This programme comprises that part of the activities that are not included in the regular budget and are carried out by the Regional Office for North America (RONA) in New York and the Regional Office for Europe (ROE) in Geneva, together with all activities of the other regional offices in Bangkok, Manama, Mexico City and Nairobi.

26. The regional offices represent UNEP and the Executive Director in their respective regions, foster and promote the goals and targets of UNEP and maintain liaison and cooperation with governmental authorities, public and private institutions and organized groups of individuals at all levels. The offices ensure coordination with the United Nations, including its regional commissions, on all matters of common interest.

27. A negative growth of $175,400 is foreseen under this programme, resulting from the move of the Regional Office for Latin America and the Caribbean to new premises.

Management of the Fund

28. The Fund management programme administers the Environment Fund and the various trust funds, which now number more than 40. The programme is financed entirely from the PFSC budget, although the office itself divides its time between administration and fund matters. No resource growth is foreseen for this programme.

(ii) *Programme of work: the Environment Programme*

29. The Environment Programme provides methodological guidance for environmental assessment and management, promotes cooperation among countries to alleviate common environmental problems and supports environmental education and training. Effective interlinkages are established between the various components of an integrated programme, aimed at ensuring that economic and social development based on the globe's natural resources, can take place on a sustainable basis.

30. The post of Assistant Executive Director, at the Assistant-Secretary-General level, which used to be financed from the regular budget of the United Nations, was abolished in the restructuring process undertaken by the Secretary-General in 1992. Responsibility for the Office of the Environment Programme is now shared between two Assistant Executive Directors at the D-2 level. One is responsible for Environmental Management, Institutions and Capacity-building; the other for Earthwatch Coordination and Environmental Assessment.

31. Environmental Management comprises the Desertification Control Programme Activity Centre (DC/PAC); the Industry and Environment PAC; the Oceans and Coastal Areas PAC; the Terrestrial Ecosystem Branch; and the Technology and Environment Branch. Institutions and Capacity-building covers the Environmental Law and Institutions PAC; the Environmental Education and Training Unit; the Environment and Economics Unit; and the Library.

32. Earthwatch Coordination and Environmental Assessment comprises four programme activity centres: the Global Environment Monitoring System (GEMS); the Global Resource Information Database (GRID); the International Register of Potentially Toxic Chemicals (IRPTC); and the International Environmental Information System (INFOTERRA). In addition, it includes the Unit for the State of the Environment, the Information Unit on Climate Change and the United Nations Centre for Urgent Environmental Assistance.

33. No resource growth is foreseen under the initial appropriation. However, under the supplementary appropriation a resource growth of $1,946,500 is foreseen for the nine Professional and ten local-level posts approved for 1992-1993 by the Council in its decision 16/45 paragraph 11 (a), provided that sufficient resources would be available to permit allocations of $185 million for Fund programme and Fund programme reserve activities. As sufficient resources did not become available, these posts were not established. The new posts comprise: one D-1 (environmental economics), five P-5 (atmosphere, soils, human health, energy and environmental economics), three P-4 (water, biodiversity and environmental training) and ten local-level posts.

(iii) *Programme support*

Conference services

34. The conference services programme is carried out by Conferences and Governing Council Service (CGCS), which reports to the Deputy Executive Director. Its functions are:

- To coordinate the provision of conference services to the secretariat;

- To exercise editorial control over UNEP documents and, to the extent that resources allow, provide conference services directly, including interpretation, translation and other documentation services, for UNEP conferences and meetings held at Nairobi and elsewhere;

- To ensure the reproduction and distribution of UNEP documents and publications.

35. No resource growth is foreseen under the initial appropriation. However, under the supplementary appropriation, a resource growth of $1,470,000 is proposed for seven Professional and 15 local-level posts. The Council, in its decision 16/45 paragraph 11 (b), had approved the transfer of these posts from Fund programme activities to the PPSC budget, provided that sufficient resources would be available to permit allocations of $185 million for Fund programme and Fund programme reserve activities. As sufficient resources did not become available, these posts were not transferred. The additional posts comprise: six P-4, one P-2 and 15 local-level posts.

Administrative service

36. In the purview of the administrative service are the functions of finance and budget, personnel, electronic data-processing and management information systems and management of general services.

37. Additional requirements amounting to $1,470,000 are foreseen under rental and maintenance of premises for the resumption of rent payments at Gigiri after the expiration of the rent remission period mutually agreed between UNEP and the United Nations. At the same time, no provision is required under new premises, as was the case in 1992-1993 for the loan to the United Nations for the construction of the premises - hence the proposed reduction of $3,490,000.

38. An amount of $250,000 is proposed for the establishment and implementation of a training and development programme for staff. This programme will aim at developing and enhancing leadership and management skills and enhancing the capacity of staff to perform their present functions, with a view to improving the quality of UNEP's products and services, managing programmes more efficiently and providing better administrative support.

39. An increase of $791,000 is proposed under the supplementary appropriation for four Professional and four local-level posts conditionally approved for 1992-1993 by the Council under the PPSC supplementary appropriation in its decision 16/45 paragraph 11 (c), but which were not filled in the biennium 1992-1993 due to unavailability of funds. The new posts comprise: one D-1, one P-4, two P-3 and four local-level posts to strengthen the electronic data-processing unit and management information systems unit.

Annex I

Table 1

Biennia 1992-1993 and 1994-1995 summary of PPSC Budget Appropriations

(thousands of US dollars)

A. PPSC: Revised estimates for 1992-1993

Appropriation	Estimated additional requirements				Total revised Appropriation 1992-1993
	Inflation	Exchange fluctuation	Other changes	Total	
38 730.1	**1 454.6**	**(4 548.7)**	**2 182.6**	**(911.5)**	**37 818.6**

B. PPSC: Proposed budget for 1994-1995

1992-1993 Revised Appropriation	Estimated additional requirements				Proposed 1994-1995 estimates
	Maintenance base[a]	Resource growth	Inflation in 1994 and 1995	Total	
37 818.6	**2 452.5**	**(2 242.4)**	**5 583.6**	**5 793.7**	**43 612.3**

a/ To maintain 1992-1993 programmes, all costed at revised 1993 prices.

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Table 2

Biennium 1992-1993: Revised estimates

Impact of factors leading to revised estimates by programme
(thousands of US dollars)

Programme	Appropriation 1992-1993	Rate of exchange	Unanticipated inflation	Other changes	Net increase (decrease) requirements	Revised appropriation 1992-1993
A. Executive Direction & Management:						
1. Office of the Executive Director	4 549.1	(344.3)	141.3	529.6	326.6	4 875.7
2. Regional representation	7 280.3	(183.1)	238.6	815.6	871.1	8 151.4
3. Management of the Fund	3 306.6	(357.5)	200.8	(172.3)	(329.0)	2 977.6
Subtotal, Exec. direction & management	**15 136.0**	**(884.9)**	**580.7**	**1 172.9**	**868.7**	**16 004.7**
B. Programme of work	**6 667.7**	**(692.4)**	**245.6**	**(142.3)**	**(589.1)**	**6 078.6**
C. Programme Support:						
1. Conference services	1 666.8	(184.4)	78.8	34.9	(70.7)	1 596.1
2. Administrative service	15 259.6	(2 787.0)	549.5	1 117.1	(1 120.4)	14 139.2
Subtotal, programme support	**16 926.4**	**(2 971.4)**	**628.3**	**1 152.0**	**(1 191.1)**	**15 735.3**
TOTAL	**38 730.1**	**(4 548.7)**	**1 454.6**	**2 182.6**	**(911.5)**	**37 818.6**

Table 3

Biennium 1992-1993: Revised estimates

Impact of factors leading to increases (decreases) by object of expenditure (thousands of US dollars)

Object of expenditure	Appropriation 1992-1993	Exchange rate fluctuations	Unanticipated inflation	Other changes	Net increase (decrease) in requirements	Revised Appropriation 1992-1993
Salaries						
010 Established posts	14 568.9	(1 292.6)	296.8	(101.5)	(1 097.3)	13 471.6
030 General temporary assistance	636.8	(179.0)	22.8	289.5	133.3	770.1
040 Consultants	1 548.7	(85.5)	-	312.4	226.9	1 775.6
050 Overtime	193.1	(70.7)	6.8	55.7	(8.2)	184.9
060 Ad Hoc expert groups	411.7	(22.7)	-	-	(22.7)	389.0
Subtotal salaries	**17 359.2**	**(1 650.5)**	**326.4**	**556.1**	**(768.0)**	**16 591.2**
Common staff costs						
100 Other common Staff Costs	7 289.8	(631.4)	752.5	(65.0)	56.1	7 345.9
113 Representation allowances	14.4	-	-	(4.2)	(4.2)	10.2
Subtotal common staff costs	**7 304.2**	**(631.4)**	**752.5**	**(69.2)**	**51.9**	**7 356.1**
240 Travel on official business	2 004.2	(89.5)	-	89.5	-	2 004.2
300 Contractual services	249.8	(75.3)	12.1	63.2	-	249.8
General operating expenses						
400 General operating expenses of liaison and regional offices	1 388.5	(34.5)	38.0	237.6	241.1	1 629.6
Nairobi headquarters:						
410 Rental and maintenance of premises	73.8	-	3.6	18.4	22.0	95.8
430 Rental and maintenance of equipment	1 074.6	(593.4)	52.1	165.4	(375.9)	698.7
440 Communications	1 775.5	(588.2)	86.0	431.2	(71.0)	1 704.5
450 Hospitality	13.1	(6.5)	0.6	5.9	-	13.1
490 Miscellaneous services	139.8	(46.3)	6.8	20.7	(18.8)	121.0
Subtotal general operating expenses	**4 465.3**	**(1 268.9)**	**187.1**	**879.2**	**(202.6)**	**4 262.7**
500 Supplies and Materials	1 539.5	(483.4)	73.0	410.3	(0.1)	1 539.4
600 Furniture and equipment	2 177.7	(349.7)	103.5	246.2	-	2 177.7
700 New premises (including additions)	3 492.0	-	-	7.3	7.3	3 499.3
800 Fellowships, grants and contributions	138.2	-	-	-	-	138.2
TOTAL	**38 730.1**	**(4 548.7)**	**1 454.6**	**2 182.6**	**(911.5)**	**37 818.6**

Table 4

Biennium 1994-1995: Proposed budget

Analysis of additional requirements by programme
(thousands of US dollars)

Programme	1992-1993 appropriation		Additional requirements for 1994-1995				Proposed 1994-1995 estimates
	Approved	Proposed revised	Maintenance base a/	Resource growth	Inflation in 1994 and 1995	Total	
A. Executive direction and management							
1. Office of the Executive Director	4 549.1	4 875.7	300.5	-	524.7	825.2	5 700.9
2. Regional representation	7 280.3	8 151.4	930.8	(175.4)	813.9	1 569.3	9 720.7
3. Management of the Fund	3 306.6	2 977.6	332.3	-	466.4	798.7	3 776.3
Subtotal, executive direction & management	**15 136.0**	**16 004.7**	**1 563.6**	**(175.4)**	**1 805.0**	**3 193.2**	**19 197.9**
B. Programme of work: Environment Programme	**6 667.7**	**6 078.6**	**549.0**	**-**	**912.6**	**1 461.6**	**7 540.2**
C. Programme support							
1. Conference services	1 666.8	1 596.1	(0.7)	-	240.3	239.6	1 835.7
2. Administrative service	15 259.6	14 139.2	340.6	(2 067.0)	2 625.7	899.3	15 038.5
Subtotal, programme support	**16 926.4**	**15 735.3**	**339.9**	**(2 067.0)**	**2 866.0**	**1 138.9**	**16 874.2**
TOTAL	**38 730.1**	**37 818.6**	**2 452.5**	**(2 242.4)**	**5 583.6**	**5 793.7**	**43 612.3**

a/ To maintain 1992-1993 programmes, all costed at revised 1993 prices.

Table 5

Biennium 1994-1995: Proposed Budget

Analysis of additional requirements by object of expenditure
(thousands of US dollars)

Object of expenditure	1992-1993 appropriation		Additional requirements for 1994-1995				Proposed 1994-1995 estimates
	Approved	Proposed revised	Maintenance base a/	Resource growth	Inflation in 1994 and 1995	Total	
Salaries							
010 Established posts	14 568.9	13 471.6	1 263.6		1 888.6	3 152.2	16 623.8
030 General temporary assistance	636.8	770.1	36.7	-	149.6	186.3	956.4
040 Consultants	1 548.7	1 775.6	23.4	(227.0)	88.3	(115.3)	1 660.3
050 Overtime	193.1	184.9	3.1	-	35.5	38.6	223.5
060 Ad Hoc expert groups	411.7	389.0	1.5	-	21.9	23.4	412.4
Subtotal, salaries	**17 359.2**	**16 591.2**	**1 328.3**	**(227.0)**	**2 183.9**	**3 285.2**	**19 876.4**
100 Common staff costs	7 304.2	7 356.1	928.3	-	1 090.9	2 019.2	9 375.3
240 Travel on official business	2 004.2	2 004.2	51.6	-	154.4	206.0	2 210.2
300 Contractual services	249.8	249.8	2.5	250.0	118.6	371.1	620.9
General operating expenses							
400 General operating expenses of regional offices	1 388.5	1 629.6	85.7	(175.4)	211.4	121.7	1 751.3
Nairobi headquarters:							
410 Rental and maintenance of premises	73.8	95.8	1.0	1 400.0	337.9	1 738.9	1 834.7
430 Rental and maintenance of equipment	1 074.6	698.7	4.3	-	166.1	170.4	869.1
440 Communications	1 775.5	1 704.5	15.0	-	406.2	421.2	2 125.7
450 Hospitality	13.1	13.1	0.1	-	3.1	3.2	16.3
490 Miscellaneous services	139.8	121.0	1.1	-	19.7	20.8	141.8
Subtotal, general operating expenses	**4 465.3**	**4 262.7**	**107.2**	**1 224.6**	**1 140.4**	**2 476.2**	**6 738.9**
500 Supplies and materials	1 539.5	1 539.4	19.2	-	354.0	373.2	1 912.6
600 Furniture and equipment	2 177.7	2 177.7	14.1	-	502.7	516.8	2 694.5
700 New premises (including additions)	3 492.0	3 499.3	0.1	(3 490.0)	1.8	(3 488.1)	11.2
800 Fellowships, grants and contributions	138.2	138.2	1.2	-	32.9	34.1	172.3
TOTAL	**38 730.1**	**37 818.6**	**2 452.5**	**(2 242.4)**	**5 583.6**	**5 793.7**	**43 612.3**

a/ To maintain 1992-1993 programmes, all costed at revised 1993 prices

Table 6

Biennium 1994-1995: Proposed budget

Analysis of real growth by programme

(thousands of US dollars)

Programme	(1) Revalued resource base a/	(2) Actual	(3) Growth percentage of (2) to (1)
A. Executive direction and management			
1 Office of the Executive Director	5 176.2	-	-
2 Regional representation	9 082.2	(175.4)	(1.9)
3 Management of the Fund	3 309.9	-	-
Subtotal, exec. direction & management	**17 568.3**	**(175.4)**	**(1.0)**
B. Programme of work	**6 627.6**	-	-
C. Programme Support			
1 Conference services	1 595.4	-	-
2 Administrative service	14 479.8	(2 067.0)	(14.3)
Subtotal, programme support	**16 075.2**	**(2 067.0)**	**(12.9)**
TOTAL	**40 271.1**	**(2 242.4)**	**(5.6)**

a/ Proposed revised 1992-1993 appropriation revalued at 1993 prices.

Table 7

Supplementary appropriation: 1994-1995
proposed PPSC post requirements by programme

	ASG	D-2	D-1	P-5	P-4	P-3	P-2/1	SUBTOTAL	LOCAL LEVEL	TOTAL
A. EXECUTIVE DIRECTION AND MANAGEMENT										
Current: 1992-1993	1	7	4	8	10	13	3	46	71	117
Proposed: 1994-1995	1	7	4	8	10	13	3	46	71	117
Increase/(Decrease)	-	-	-	-	-	-	-	-	-	-
B. PROGRAMME OF WORK (ENVIRONMENT PROGRAMME)										
Current: 1992-1993			4	8	4	10		26	26	52
Proposed: 1994-1995			5	13	7	10		35	36	71
Increase/(Decrease)			**1**	**5**	**3**	-		**9**	**10**	**19**
C. PROGRAMME SUPPORT										
1. Conference services					2	4	1	7	24	31
Current: 1992-1993	-	-	-	-	8	4	2	14	39	53
Proposed: 1994-1995	-	-	-	-	**6**	-	**1**	7	**15**	**22**
Increase/(Decrease)										
2. Administrative service				1	4	6	4	15	80	95
Current: 1992-1993	-	-	1	1	5	8	4	19	84	103
Proposed: 1994-1995	-	-	**1**	-	**1**	**2**	-	**4**	**4**	**8**
Increase/(Decrease)										
D. SUMMARY - ALL PROGRAMMES										
Current: 1992-1993	1	7	8	17	20	33	8	94	201	295
Proposed: 1994-1995	1	7	10	22	30	35	9	114	230	344
Increase/(Decrease)	-	-	**2**	**5**	**10**	**2**	**1**	**20**	**29**	**49**

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Annex II

RATES OF EXCHANGE, RATES OF INFLATION USED IN PREPARING THE ORIGINAL AND THE PROPOSED PROGRAMME AND PROGRAMME SUPPORT COSTS BUDGETS FOR THE BIENNIA 1992-1993 AND 1994-1995

Duty station (currency)	Rates of exchange to the dollar				Average annual rates of inflation			
	1992-1993 original assumptions	**1992-1993 revised appropriation**		1994-1995 initial estimates	1992-1993 original assumptions	**1992-1993 revised appropriation**		1994-1995 initial estimates
		1992a/	1993b/			1992c/	1993c/	
New York (United states dollars)						3.7%	3.7%	3.7%
Geneva (Swiss francs)	1.30	1.40	1.44	1.44	2.9%	4.0%	3.4%	3.4%
Bangkok (baht)	25.80	25.38	25.30	25.30	6.1%	4.0%	5.0%	5.0%
Mexico City (Mexican pesos)	2 828.00	3 080.00	3 100.00	3 100.00	5.3%	17.1%	17.1%	17.1%
Nairobi (Kenyan shillings)	23.00	31.63	35.70	35.70	10.0%	15.6%	15.0%	15.0%
Bahrain (Bahrain dinars)	0.376	0.376	0.376	0.376	8.6%	9.9%	9.9%	9.9%

a/ January - December 1992 average.

b/ Actual December 1992 operational rates of exchange.

c/ Applicable to objects of expenditure other than salaries of established posts and common staff costs.